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HOUSE BILL NO. 1870

Offered January 12, 2011

Prefiled January 11, 2011

A *BILL to amend the Code of Virginia by adding a section numbered 2.2-2240.3, relating to the Virginia Economic Development Partnership Authority; reports by businesses receiving grants and loans.*

Patrons—Toscano, Barlow, Bulova, Englin, Filler-Corn, Hope, Kory, Shuler and Sickles

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 2.2-2240.3 as follows:**

§ 2.2-2240.3. *Annual reports from businesses receiving development subsidies.*

A. *As used in this section, unless the context requires a different meaning:*

"Development subsidy" means any expenditure of public funds with a value of at least \$25,000 expended for the purposes of stimulating economic development and job creation in the Commonwealth, and including bonds, grants, loan guarantees, fee waivers, price subsidies, tax abatement, tax exemptions, or tax credits.

"Granting agency" means any locality authorized under the laws of the Commonwealth to award development subsidies.

B. Notwithstanding any provision of law to the contrary, any entity that receives a development subsidy shall file an annual report with the granting agency or the Authority no later than 60 days before the end of the fiscal year during which the development subsidy was received. The annual report shall be submitted in addition to any information that the business entity is required to submit pursuant to the terms of the development subsidy received.

C. The annual report shall include the following:

1. If the recipient is a corporation, the corporate name of the recipient and the name of chief officer; or if the recipient is one or more individuals doing business as a partnership or other pass-through entity under a distinct business name, the business name used by the partnership or other pass-through entity;

2. The name, type, and description of the development subsidy;

3. The business address and business phone number of the recipient;

4. If the recipient received the development subsidy for the purpose of creating jobs:

a. A statement of the number and type of jobs created by the recipient and the extent to which it has met the targets for job creation contemplated in the award of the subsidy;

b. Payroll or other data to verify the number of jobs created by the recipient since receipt of the development subsidy;

c. The position title, monthly wage, and benefits for each job created;

d. The employer-sponsored health benefits for each detailed occupational level; and

e. A statement as to whether the recipient reduced employment at any other site in the Commonwealth that is controlled by the recipient as a result of automation, merger, acquisition, corporate restructuring, or other business activity;

5. If the recipient received the development subsidy for a purpose other than job creation, a statement that specifies the goals of the development subsidy and a detailed statement that specifies how the recipient is achieving those goals;

6. Any other information reasonably required by the granting agency or the Authority to evaluate the progress and effectiveness of the particular development subsidy; and

7. A statement certifying the accuracy of the annual report signed by the chief officer of the recipient that is a corporation or signed by an individual, or an authorized agent thereof, benefiting from the development subsidy due to an ownership interest in the recipient that is a partnership or other pass-through entity.

D. The recipient shall submit with the report a filing fee as determined by the granting agency or the Authority, which fee may be waived for good cause.

E. The granting agency or the Authority shall condense and summarize the annual reports submitted to it under this section, shall publish the summarized report on its website, and shall notify the members of the General Assembly when the summary has been published.

2. That the provisions of this act shall apply to any recipient of a development subsidy, as defined in this act, on or after July 1, 2011, from the Governor's Development Opportunity Fund created

INTRODUCED

HB1870

59 pursuant to § 2.2-115 of the Code of Virginia, the Virginia Economic Development Partnership
60 Authority created pursuant to Article 4 (§ 2.2-2234 et seq.) of Chapter 22 of Title 2.2 of the Code
61 of Virginia, the Virginia Investment Partnership Grant Fund created pursuant to § 2.2-5104 of the
62 Code of Virginia, or the Department of Housing and Community Development pursuant to the
63 Enterprise Zone Real Property Investment Grant created pursuant to § 59.1-548 of the Code of
64 Virginia.